

ANNOUNCEMENT 28/08/2020

In response to a relevant question by the Hellenic Capital Market Commission and further to announcements issued by Attica Bank (the “Bank”) on 27/7/2016, 16/9/2016, 28/9/2016, 28/2/2017 and 10/1/2020, the Bank informs investors about the following:

Any connection, or even common reference made, of Attica Bank’s name with the entities mentioned in the inaccurate articles published by liberal.gr, on 21/8/2020 and 24/8/2020, is, at least, deemed unfortunate and reflects complete lack of knowledge of the facts, the applicable legal and regulatory framework in effect for banking institutions, the role of the supervisory authorities, and, predominantly, the actions Attica Bank has already completed, to comply with the competent national and supranational authorities’ guidance. It is clear that the two articles merely regurgitate dated information from 2016 and 2017 that has nothing to do with the current operations of the Bank, which continues its transformation and implements its strategic plan for managing the consequences of the COVID-19 pandemic and providing high quality banking services to the Greek market.

For the avoidance of all misunderstanding, it is noted that:

- Following the Bank’s new Management taking office in September 2016, corporate governance practices and financial performance have changed and have been drastically upgraded, as a number of measures were adopted in order to comply with the recommendations made by the supervisory authorities, following the findings during an audit conducted between March-June 2016, by the European Central Bank (“ECB”). The Bank’s new Management that took office in September 2016 prioritized the response to the above mentioned series (more than 200) of recommendations, while the entire process was being monitored on a monthly basis by the ECB and the Bank of Greece (“BOG”). The recommendations mainly addressed matters of credit risk monitoring, corporate governance and technical and computerized infrastructure enhancement and demanded significant adapting and costs incurred by the Bank. The issues identified have been fully satisfied for some time now, with no points remaining outstanding. In the context of the continuous assessment carried out, under the current institutional framework, by the supervisory authorities (the BOG in consultation with the ECB), the Bank’s operations have been enhanced by the application of all appropriate measures and the rules of transparency in financial information being respected. The Bank is in full and well-developed cooperation with the national competent authorities, which monitor and audit the Bank as provided by the existing legal and regulatory framework.
- As regards its capital requirements, it is noted that, in 2017, Attica Bank completed the share capital increase that was requested by decision of the BOG in December 2015, and has since maintained its capital adequacy ratios in full compliance with the thresholds defined annually by the supervisory authorities, in the context of its continuous assessment. In particular, in May 2018, the Bank completed a share capital increase and issued a prospectus, which covered all the transparency issues in relation to information provided to investors, confirming the independence and technical competence of the Board of Directors’ members, who participate in Committees critical to the day-to-day operations of the Bank and the accuracy of its financial reporting process.

Attica Bank points out that, since the present Management took office in September 2016, the Bank has taken all the necessary actions and fully complies with the principles of good corporate governance, as confirmed by the supervisory authorities.

References made in the aforementioned articles, to the findings of the Single Supervisory Mechanism show inaccuracies as they relate to events that date back to earlier times. The on-site audit carried out at the Bank, as mentioned above, by a joint, ECB and BOG, team lasted from 16.03.2016 until 27.05.2016. The main subject of the audit were the internal procedures of the Bank in force during the audit period, while the requested data basically cover the period from 2015 until the date of completion of the audit. In relation to the findings of this audit, the Bank has provided relevant, detailed information to investors through the 27/7/2016, 16/9/2016 and 28/9/2016 announcements to ATHEX.

Since the present Management took office in September 2016, and aimed precisely and specifically at restoring any indications and malfunctions, the Bank formulated a program with necessary corrective actions for the treatment of the findings of the above audit, in cooperation with the supervisory authority, as stated in the 28/2/2017 announcement to ATHEX. At the end of the project, the implementation rate of the recommendations was 96% and the actions for implementing any pending recommendations had been launched.

Regarding the Bank's exposure to "TOXOTIS" Group, the Bank has secured its position as it has complied with and completed all appropriate procedures for obtaining adequate collateral and provisions against the relevant risks in accordance with the applicable legal and regulatory framework. Therefore any development does not affect the Bank's financial position, as mentioned in the 10/1/2020 announcement to ATHEX.

During this critical period, Attica Bank continues to support the Greek economy and society in the midst of the challenges posed by the current COVID-19 pandemic, implementing its strategic plan for the benefit of its customers, shareholders and Greek society as a whole.

Attica Bank Société Anonyme Banking Company